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**ORIGINAL**

Decision No. 72539

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of THE PACIFIC TELEPHONE  
AND TELEGRAPH COMPANY for authority  
to establish the Shandon special rate  
area within the Paso Robles exchange, }

Application No 49140  
(Filed February 9, 1967)

OPINION AND ORDER

The Pacific Telephone and Telegraph Company has requested authority to establish the Shandon Special Rate Area within the Paso Robles Exchange, San Luis Obispo County, in accordance with Exhibits A and B of the application, to furnish urban grades of service at rates set forth in Exhibit C of the application and shown below, and to furnish urban service outside the base rate area and the special rate area according to the rules in paragraph V of the application.

| <u>Business</u>  | <u>Rate Per Month</u> |                 |
|------------------|-----------------------|-----------------|
|                  | <u>Present</u>        | <u>Proposed</u> |
| 1-Party          | \$ 7.00*              | \$ 9.50         |
| 2-Party          | 5.50*                 | 7.25            |
| Semi-Public      | 3.50*                 | 6.00            |
| PBX Trunk        |                       |                 |
| Flat Rate - each | 10.50*                | 13.00           |
| Suburban         | 4.95                  | Not offered     |
| Farmer Line      | 1.55                  | 2.05#           |
| <u>Residence</u> |                       |                 |
| 1-Party          | 4.20*                 | 6.70            |
| 2-Party          | 3.25*                 | 5.00            |
| 4-Party          | 2.70*                 | 3.95            |
| Suburban         | 3.20                  | Not offered     |
| Farmer Line      | .90                   | 1.40#           |

\* Plus suburban mileage charges on urban services.

# Applicable to service connecting at the Special Rate Area.

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To facilitate ex parte treatment, the Commission staff requested the company to notify all affected subscribers by letter of its intention to request authorization "without public hearing." The letter included proposed rates and requested return of comments. The company advises that sixteen favorable and no unfavorable comments were received.

The special rate area covers approximately 0.7 square miles, and is located on State Highway 46, about 18 miles east of Paso Robles. Development within the proposed special rate area consists of 112 residences, 18 business establishments, two churches, a high school, elementary school, library, post office, a State Division of Forestry Fire Control Station and a State Highway Maintenance Station. The businesses include two general stores, restaurant, motel, garage, a tavern and a beauty salon. As of January 1966, Applicant furnished 73 suburban residence services, and 9 suburban business services within the proposed Shandon Special Rate Area. There were 3 subscribers to urban service in the surrounding suburban area who would have their mileage charges reduced by this proposal.

Applicant proposes rates for primary urban services within the Shandon Special Rate Area equivalent to Paso Robles base rates plus an increment equal to five one-quarter mile suburban mileage charge. This increment gives appropriate consideration to development within the proposed special rate area, its distance from the nearest point on the base rate area boundary and the effect of establishing the special rate area upon Applicant's revenues.

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Applicant proposes to furnish Paso Robles urban service outside the base rate area and the proposed special rate area at the rates of the special rate area plus suburban mileage charges to the nearest point on the special rate area boundary or at base rates plus suburban mileage charges to the nearest point on the base rate area boundary, whichever results in the lower charge to the subscriber.

Applicant represents that annual revenues would increase by about \$2,600 after normal regrading. It appears that granting the application will result in improved service in the public interest; therefore,

The Commission finds that a public hearing is not necessary and that such increases in rates and charges as will result are justified and that, for the future, present rates, insofar as they differ from those herein prescribed, would be unjust and unreasonable upon the establishment of the Shandon Special Rate Area.

IT IS ORDERED that:

1. The Pacific Telephone and Telegraph Company is authorized to establish the Shandon Special Rate Area as requested in the application.

2. After the effective date of this order, applicant is authorized to file with this Commission, in conformity with General Order No. 96-A, exchange maps revised to show the Shandon Special Rate Area within the Paso Robles Exchange with a boundary substantially as shown in Exhibits A and B attached to the application.

3. Applicant is authorized to file, in conformity with General Order No. 96-A, rates for service within the said special rate area, as set forth in Exhibit C attached to the application,

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and rules, as set forth in paragraph V of the application, and after not less than five days' notice to the Commission and to the public, to make said rates effective for service coincident with establishment of the said special rate area.

4. Applicant is authorized to withdraw suburban telephone service within the Shandon Special Rate Area coincident with establishment of said special rate area.

5. The authorization to establish said special rate area, granted herein, will expire unless exercised within eighteen months of the effective date of this order.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 6<sup>th</sup> day  
of JUNE, 1967.

*John E. Mitchell*  
President

*William L. Bennett*

*Andrew*

*William L. Bennett*

*Shel P. Moroney*  
Commissioners